

A Historical Assessment of the World's First Business Improvement Area (BIA): The Case of Toronto's Bloor West Village

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Abstract

Over 60,000 Business Improvement Areas (BIAs)¹ exist worldwide. Generally, BIAs seek to revitalize their shopping districts, finance services, and improve and promote their area. The first BIA started in Toronto's Bloor West Village in 1970 and its model is now employed worldwide. Despite the global popularity of BIAs, there is controversy about what they can achieve. Some boosters argue that BIAs can revitalize urban streetscapes and allow small retailers to compete with urban malls. Opponents disagree and allege that BIAs are an unnecessary burden on small businesses because they achieve few tangible results. Amidst this controversy, this paper analyzes the effects of longest-running BIA to help resolve some of these questions. After offering a history of the creation of the Bloor West Village BIA, this paper assesses the impact of the Bloor West Village BIA over a 35 year period and suggests some of the limitations of long-term studies of BIAs.

Keywords: Business Improvement Area (BIA), Bloor West Village, urban revitalization, small businesses

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Résumé

Plus de 60 000 zones d'améliorations commerciales (ZACs) existent à travers le monde. En général, les ZACs ont pour but de relancer leurs zones commerciales, financer des services et améliorer et promouvoir leurs quartiers. La première ZAC a commencé à Bloor West Village à Toronto en 1970 et le modèle est maintenant employé autour du monde. Malgré leur popularité globale, les ZACs soulèvent de nombreuses controverses concernant leurs accomplissements. Certains soutiennent que les ZACs peuvent relancer les espaces urbains et permettre aux petites entreprises de rivaliser les centres commerciaux. D'autres sont en désaccord et prétendent que les ZACs sont une pression fiscale inutile puisqu'elles obtiennent peu de résultats tangibles. Parmi cette polémique, il est grand temps de revisiter la première ZAC puisqu'une étude détaillée de l'impact de ce ZAC à long terme est possible. Après avoir raconté l'histoire du ZAC Bloor West Village, j'examine l'impact historique du ZAC Bloor West Village au cours de 35 ans et je suggère quelques limitations des études de ZACs.

Mots clés: Zone d'amélioration commerciale (ZAC), Bloor West Village, réhabilitation urbaine, petites entreprises

According to long-time Business Improvement Area (BIA) organizer Bradley Segal, BIAs usually function by assessing "property within a defined geographic boundary. Revenues from this assessment are directed back to the defined area to finance a myriad of services, including security, maintenance, marketing, economic development, parking and special events" (2002, 1). A BIA on Toronto's west side was the first to use this model. In the Toronto model, a by-law requires every commercial and industrial property within a given boundary to pay a levy, based on the proportionate value of each property's commercial and/or industrial assessment, to the city on behalf of the BIA. This levy is then returned to the BIA to reinvest back into the retail quarter. In 2014, taxes raised by the city on behalf of Toronto's BIAs totalled over \$26 million (calculated from Business Improvement Areas—2014 Operating Budgets). BIAs then use these funds to promote their areas, improve the façade and streetscape, introduce benches and plantings, establish a particular look to attract shoppers and increase the desirability of their neighbourhood. They also petition for grants from the city for murals, banners, festivals, special events and market research. Fundamentally, BIAs are a legal mechanism to raise funds to supplement public services and enhance the appearance of a particular place (Houstoun 2003; Hoyt and Gopal-Agge 2007).

At first it seems strange that normally tax-averse businesspeople, such as small retailers and shop owners, would voluntarily choose to be assessed an extra tax to finance a BIA. Yet the global popularity of the movement (the growth of which has been documented by Hoyt 2006; Wolf 2006; Gross 2005; Houstoun 2003; Mitchell 2001) implies that many business districts see the idea as beneficial and are willing to invest both time and money in the BIA concept. In Toronto, the number of BIAs has risen from just one BIA in 1970 to 42 in 2001 and 81 in 2015, which the City of Toronto views as a sign of "the success of Toronto's BIA program" (City of Toronto 2014). The following paper seeks to determine whether the popularity of the movement is justified

by asking if BIAs can achieve the goals they set out to achieve: improving vacancy rates, store turnover rates, property values, and the aesthetic of the area, as well as gaining governmental and corporate influence and increasing the number of shoppers. Using the case of the Bloor West Village BIA, the world's first BIA, it will attempt to determine whether BIAs are a form of modern boosterism that achieve few tangible results or are a driving force of urban renewal for business districts, as they claim.

Such a study is particularly timely given that some of the academic literature condemns BIAs for being only minimally effective (Lloyd et al. 2003) or for ignoring certain stakeholders and creating social segregation (see Briffault 1999; Lavery 1995; Ross and Levine 2001) while other studies indicate that the model is successful in many different contexts (Gopal-Agge and Hoyt 2007; Birch 2002; Page and Hardyman 1996, Ross and Levine 2001). Often, any evaluation of the effectiveness of BIAs is difficult because so few have established performance indicators. Only 38 percent of Canadian BIAs collect this data, while in New Zealand the figure is 22 percent. In South Africa, 89 percent assemble performance data while in the United States just over half of Business Improvement Districts gather this data (Hoyt 2005). Even collecting this data may not be enough, as there is no agreement as to what aspects to measure and how to specifically tie this data to the work of BIAs (for two attempts, see Mitchell 2008; and Donaghy, Findlay, and Sparks 2013). Many unanswered questions about the impact of BIAs thus remain, and answers to these questions are even more unknown over the long term since no long term evaluations of BIAs exist. This lack of assessment has caused William Mallett (1994, 285) to worry that "some BIAs report successes including[...] dramatic improvements in the cleanliness of downtown area," but it is unclear yet whether these programs will have enduring success.² Others, most notably Thomas J. Lueck (1994), argue that BIAs lack accountability for their performance so can make claims in favour of their organization without enough public transparency to accurately scrutinize their work, which is particularly problematic because BIAs manage "regular city streets" (Mallett 1994, 285).

Looking at the case of the Bloor West Village BIA should provide insight into the long-term impact of BIAs, since it is the longest running example of the BIA concept and broader trends should be discernable in this case. This paper thus offers a historical perspective on BIAs through this case study, evaluating some of the long-term effects of the Bloor West Village BIA, that are not visible in newly formed BIAs. It also suggests some of the problems with evaluations of BIAs, even over the long-term. This kind of historical study has been called for in the literature, with Rachel Meltzer (2010; 511) arguing that BIAs "have been in place long enough to produce measurable outcomes." Policy makers, store owners, municipalities and BIAs would also stand to benefit from understanding the effects of BIAs on turnover of businesses, neighborhood upgrading, and services provided by the municipality over the long term as they implement the BIA concept. This paper aims to provide analysis of the case of the Bloor West Village BIA over a 35 year period.³

The Bloor-Jane-Runnymede Shopping District in 1970

Located in the west-end of the City of Toronto, the Bloor West Village BIA was the first in the world when it started in 1970. The model introduced in the Jane-

Runnymede-Bloor retail strip was adopted to solve some of the problems facing the area. In the late 1960s, the neighbourhood was in decline and businesses were struggling. The expansion of the Bloor-Danforth subway line in 1966 was just one problem facing the area. Before its construction, the shopping district enjoyed end-of-the-line status and was “a hive of activity” (‘Inside Scoop’ 1995). After its completion, shoppers allegedly “sped downtown on the newly opened subway line, or reversed field and headed for suburban malls” (Varangu 1984). The two shopping centres believed to pose the biggest threat to local businesses were the newly developed Cloverdale Mall and the soon-to-be-opened Sherway Mall, both to the west (Redmond 1995). These malls could entice shoppers with a huge selection of products and services, year-round climate-control, and acres of free parking (Bloor West Village BIA 2008). Businessmen who took the time to walk down Bloor West saw many ‘For Rent’ signs hanging in the windows (Ling 2009). A sample of businesses along Bloor Street West in 1960 found that close to 2 percent of businesses were vacant. By 1965, 1.4 percent of businesses were vacant, but by the time of the creation of the BIA in 1970, this figure has risen to 4.1 percent (see Appendix A). In addition to the high vacancy rates, shop owners and retailers were concerned with the high turnover rate of stores. Family businesses, which had characterized the area for generations, were forced to close. In 1970, 57 percent of the businesses present in 1960 had been replaced by a different store or were vacant (see Appendix B).⁴ These conditions made it very difficult for shops at this time to succeed.

The hardships faced by shopkeepers were also exacerbated by a less-than-ideal streetscape. Alex Ling, who bought a storefront in the Village in 1971, describes the street when he was looking for property as follows:

It was quite different [than it is today]. On the south side there was about a half dozen gas stations, almost every corner was a gas station, which is not good for business. On the north side[...] was a whole block of used-car lots. On the south side of Bloor and Jane, where the medical building is now, there was the abandoned streetcar turnaround. And everything was just dusty and dark. It was horrible! [...] There was nothing here (Ling 2009).

Neil McLellan, a jeweller who opened his business in the area in 1954, echoes these sentiments stating, “the sidewalks were all broken and it looked like all the storefronts were about to fall out. My wife and I joke how it used to look like something out of *The Last Picture Show*” with broken signs hanging above the dingy and dirty shops that lined the almost deserted stretch of Bloor (quoted in Contenta 1984). An “unruly spider’s web of overhead wires” also marred any chance of a picturesque streetscape (Varangu 1984). Construction of the subway line also did not contribute aesthetically to the street. Long-time resident, David Hutcheon, recalls, “the whole area was dug up when they did the subways[...] a big swath of land[...] was] clear cut[...] at the time this was not popular” (Hutcheon 2009). These conditions made it difficult for any business to survive, let alone thrive. The *Toronto Star* went so far as to report that “Busy Bloor West

Village was once a near ghost town” (Contenta 1984). The shopping district therefore seemed “fated to experience the same graceless decline that in fact befell many other undistinguished retail strips” (Varangu 1984). The Jane-Runnymede-Bloor area was unattractive, faced growing vacancy rates and found it difficult to compete with other shopping areas. Retailers certainly felt the pinch.

A Possible Solution to Decline: The Bloor-Jane-Runnymede Businessmen’s Association

To curtail the downward spiral, the Bloor-Jane-Runnymede Businessmen’s Association was formed in the mid-1900s. This organization had little success in improving the area and drawing shoppers back. The association was ineffective in part because it could never rely on a steady stream of funds to make changes. It relied on businesspeople from the association devoting “a great deal of their time and effort going door-to-door soliciting voluntary donations for local improvements and area promotions” (Toronto Association of Business Improvement Areas 2007a). In the end, only a few businesses were willing to donate. Bill Whiteacre, a key proponent of the formation of the Bloor West Village BIA, recalled in an article to *The Times* that “everyone promised to pay their dues but only the few heart-and-soulers do” (‘Inside Scoop’ 1995). Cecil Ward, a men’s fashion retailer and an early member of the association, agreed when he stated, “volunteerism was impossible. Collecting those dues was tough; it was like pulling teeth. This situation exemplified the ‘free-rider problem.’ And, of course, then you had the businesses that refused to pay any dues but were more than willing to take any benefits” (quoted in Redmond 1995, 8-9). Without a reliable source of income, the Businessmen’s Association had difficulty obtaining loans to finance projects, could not invest in long-term development and was unable to make any tangible differences.

A New Solution: The Creation of the Bloor West Village BIA

Without change from the Businessmen’s Association, many feared the business strip would fade into the prophesied ghost town. A few businesspeople decided a new solution was required. In 1969, local jeweller Neil McLellan, area lawyer Bill Whiteacre and Bob Bundy of the City of Toronto Parking Authority met in a local coffee shop to discuss a plan. A proposal was outlined “whereby businesses would pay an increment, on top of their regular business taxes, to form a fund from which the local streetscape would be promoted. Very simple but at the time, very innovative” (‘Inside Scoop’ 1995). This model would solve the problem of dead-beat retailers because the city became the bill collector and penalties for non-payment could be instituted (Redmond 1995). Funds would then be given to the Board of Managers to revitalize their business strip through physical improvements and promotional activities (Toronto Association of Business Improvement Areas 2007a). Armed with this innovative plan, the businessmen started to take steps to make their concept a reality.

Along the way, there was opposition. Some could not understand why the “Bloor West merchants were asking for permission [from Provincial and Municipal governments] to pay higher taxes” (‘Inside Scoop’ 1995). Mayor Bill Dennison

exclaimed, “Let me get straight[...] are you trying to tell me that these guys want to pay *more* taxes” when Whiteacre went to him with the proposal (quoted in Yang 2010). A car dealership in the west refused to support the proposal so the final boundaries of the BIA were shortened to exclude it (Yang 2010). In the east, a large supermarket also did not endorse the idea, but a visit to their head office to explain the group’s motives won over the executives. Similar visits to every merchant on Bloor Street West between Jane and Glendonwynne, persuaded retailers or, at the very least, convinced them not to go against the plan even if they did not outright support it. One merchant, in the very middle of the retail strip, swore until the final stages that he was opposed to the creation of the BIA. He threatened to derail the whole plan by challenging the proposal at the Ontario Municipal Board hearing. On the day of the hearing, the merchant did not show up to present his case in large part because of the efforts of other merchants. This strategy to gain support was particularly important because Lawrence Houstoun (2003, 69) has shown that “opposition to proposed BIAs often is based on lack of information” which can be solved with “communication with economic stakeholders and public officials.” In the case of Bloor West Village, dialogue was particularly crucial because there were no prior examples to look to that explained how, and if, the concept would work.

With local support, the group behind the BIA concept could begin to alter the legal mechanism that prevented the formation of an organization that would be altering municipally owned land and which prevented the city from levying funds on behalf of this kind of organization. The Ontario Municipal Code was soon changed and BIA legislation was enacted, becoming section 217 of the Municipal Act. Under the New Ontario Municipal Act, enacted in 2003, BIAs came under sections 204-215. The wording allowed:

A local municipality to designate an area as an improvement area and to establish a board of management, to oversee the improvement, beautification and maintenance of municipally-owned land, buildings and structures in the area beyond that provided at the expense of the municipality generally; and to promote the area as a business or shopping area (quoted in Toronto Business Improvement Area Office 2005, 197).

With this permission from the province, City of Toronto by-law no. 174-70: *To designate a certain area as an Improvement Area* came into effect, creating the Bloor West Village BIA when it was passed on May 14th, 1970.

Armed with an initial operating budget of \$47,500 and representing 275 merchants, the newly established BIA had to determine how to solve the problems it intended to eradicate (Bloor West Village BIA 2008). The BIA board decided to spend most of these initial funds on physical improvements to the streetscape, such as flowerboxes, interlocking brick for the sidewalks and fairy-lights for the trees (Harris 1984). These improvements were inspired by Sparks Street in Ottawa, which the BIA board had visited before submitting their inaugural budget and which was considered to be cutting-edge for pedestrian-friendly shopping at the time (Redmond 1995). Even

though the beautification project was barely underway when Alex Ling was looking for a space where he could relocate his business, he drove through the area and said, “Wow, what’s happening! The strings of lights on the trees and the flower boxes on the streets made the area so different than anywhere else” (Ling 2009). The early work of the BIA had therefore attracted him to start Ling’s Linens and Silk Importers in the Village. Others also spoke of the dramatic changes the BIA brought about in its first years. *Toronto Life*, for example, reported that “cheerful lights festooned newly planted trees; off-street parking lots disappeared behind discreet hedges or fieldstone walls; bike racks (before their time), flower tubs and benches lined the sidewalks” (Varangu 1984). The local paper, *The Villager*, spoke of the “Miracle on Bloor Street West” when it gave an account of:

Contractors, working at a furious pace, had installed 100 large planters—complete with bright flowers and young trees—along a nine block stretch of Bloor Street. The good citizens of Swansea and High Park walked out onto a business strip that, virtually over night, had been transformed from a rather ordinary collection of shops into something special (The Miracle of Bloor Street West 1985).

A city official remembered the effect that the BIA had on the area, stating “the street just blossomed—it was quite dramatic” (quoted in The Miracle of Bloor Street West 1985). The physical alterations completed by the BIA transformed the shopping district and businesspeople, residents and city officials were starting to take note.

Physical improvements were also coupled with a marketing strategy that devised a new name for the area: Bloor West Village. George Rowland, a member of the first Board of Directors of the BIA and a local lawyer, had thought of the word ‘village’ to describe the area. This label evoked nostalgia and intimacy. It created a feel for the area—so much so that many neighbourhoods all over Metro copied Bloor West and incorporated ‘village’ into their names (Redmond 1995), and many stores also used the word “Village” in their businesses’ names. With the improvements to Bloor between Jane and Glendonwyne making properties more valuable and recognizing that the term ‘village’ conjured up images of friendly and tight knit communities, “real estate companys [sic.] tend to trumpet ‘Bloor West Village’ as a location in their advertising—although the name is an artificial creation” (The Miracle of Bloor Street West 1985). *Toronto Life* more satirically appraises the effect of the word ‘village’, by stating “Bloor West’s thoroughly urban strip masquerades cosily as a village, since its BIA, fighting the westward drift, had the early wit to call it one” (Epicure 1995). The use of the term ‘village’ spawned by the BIA helped define the character of the area and became a promotional tool for advancing the business district, even if the neighbourhood was not properly a village.

While the beautification projects and the new name for the area were attracting attention, not everything was perfect for the BIA and Bloor West Village. The accomplishments were significant for “a brand new concept[...] which had nothing to look to or compare with,” but a lot of small businesses did not want to pay the

added taxes because they did not see enough change (Ling 2009). These merchants had hoped for long queues in the streets and clients breaking down doors to come in to shop. Instead, “people were becoming disenchanted because everybody had to pay so much money[...] for all the promotions and beautification projects, so there were merchants and lawyers trying to sue the BIA and all these people who had petitions [against the BIA]” (Ling 2009). A few boosters and the local paper, *The Villager*, enthusiastically supported the BIA model and the beautification projects, festivals and marketing campaigns, thereby ensuring that the Bloor West Village BIA survived these challenges. These local boosters claimed that BIAs had the ability to improve the vitality of the area and promote it as a safe and vibrant place to shop, work, visit, and live. But did these claims hold true and had the BIA solved some of the problems that had spurred its creation?

Methodology for Assessing the Bloor West Village BIA's Impact

Scholars who study BIAs have suggested a number of evaluation metrics for BIAs. Mitchell (2008) emphasizes four evaluation categories, including (1) diligence (accounting for tasks performed); (2) effectiveness (achievement of tangible impacts); (3) responsiveness (businesses' satisfaction with BIA); and (4) sociability (contribution to city life). Donaghy, Findlay and Sparks (2013) expand on this framework, but suggest that less tangible outcomes should also be included when evaluating BIAs. They add the mobilization and creation of social and entrepreneurial capital, the shaping of future policy, and public entrepreneurship to Mitchell's list of evaluation criteria, which they then use to evaluate Scottish BIDs (which have been existed since the mid-2000s, as Scotland established legislative frameworks for creating BIDs in 2006 and 2007). The evaluation criteria work well in the Scottish case, since the evaluation data has been collected since the BIDs formed and shop owners and patrons usually can provide more anecdotal evidence about the effects of the BID when other data is not available. In the Toronto case, however, these criteria are less feasible: the data simply do not exist or are hampered by too many external fluctuations. Further, over the 35 years that BIAs have existed, many shop owners have moved on, making anecdotal evidence of changes that result from BIA work difficult to obtain. These challenges speak to the concerns raised by these scholars as they attempt to create evaluation criteria; rather than retrospective evaluations, they suggest that accounting of BIA accomplishments should be built into each BIA from the beginning and not just added as an afterthought. Does this mean, though, that it is not possible to evaluate long-running BIAs?

Given the challenges of evaluating BIAs over the long term, I evaluate the Bloor West Village BIA based on the criteria laid out at its founding. While the BIA did not formally list outcomes they hoped to achieve, goals permeate the newspaper reports and quotations from those involved in the creation of the BIA. I draw on the interviews and newspaper reports cited in the historical section of this paper to determine the various problems business people hoped the BIA would solve. Adopting this historical approach makes the comparison of different BIAs difficult, but it has the advantage of evaluating BIAs in their local and historical context. This approach has the added benefit of evaluating BIAs using the categories of success that they themselves define.

In evaluating the goals business people established when they set up the Bloor West Village BIA, seven aims became apparent: vacancy rates, store turn-over rates, property values and rising rents, area beautification, marketing, political and corporate influence, and attracting shoppers. The remainder of this paper evaluates the Bloor West Village BIA using quantitative and qualitative metrics to examine the BIA's success or failures in each of these categories, as well as the challenges of using these criteria.

A. Vacancy Rates

One problem that the BIA thought it could rectify was high vacancy rates. There was a belief that, with investments in beautification and promotion, more shoppers would be drawn to the area and those already present would not want to leave. Yet during the first five years after the BIA's inception vacancy rates did not decline. In fact rates in 1975 were 5.2 percent, close to a 1 percent increase from when the BIA was created in 1970 (see Appendix A). By 1980 though, vacancy rates were at just 1.6 percent, dropping over 4 percent in five years. The fact that two of the three vacancies recorded in the 1980 community directory came from offices in a newly constructed building and that there were now 30 more businesses than there had been 20 years earlier show grounds for supporting the proposition that the BIA may have contributed to a turn around. New buildings were constructed and could attract businesspeople and the old shops were filled. By the mid-1990s, there were close to 80 more stores in Bloor West Village than there had been in 1960 and the vacancy rate remained relatively constant throughout, suggesting support for claims about the BIA's effectiveness at attracting shoppers to keep these shops in business.

While there was reason for optimism with the improving vacancy rates in Bloor West Village, it is unclear exactly what impact, if any, the BIA had in this change. It is difficult to correlate the banners, festivals, photos with Santa, marketing and beautification projects carried out by the BIA with improved vacancy rates. Establishing a correlation is especially hard given that a number of other factors also influence the prosperity of an area: larger market forces, competition from other areas, changing methods and routes of transportation, shifting demographics, variable shopping trends and fluctuating property values (Houstoun 2003, 145). None of these features remained constant for the period considered so it can only be concluded that Bloor West Village was a more desirable destination for merchants to establish their businesses, a fact which some, correctly or incorrectly, have attributed to the BIA.

B. Store Turnover Rates

Before the BIA was created, businesspeople were disheartened that stores turned over at a seemingly rapid rate. Only 43 percent of the stores that existed in 1970 had been there ten years earlier. The figure was practically identical in 1980 with only 40 percent of the stores that had been there in 1970 still there ten years later (see Appendix B). By the 1991, 49 percent of the business that had been there 11 years earlier remained. While the turnover of businesses had been worrisome in the 1960s, in the 1970s and 1980s boosters reinterpreted the figures so that turnover rates were not seen as

quite the problem that they had once seemed (Hutcheon 2009). New stores were presented more positively by BIA boosters and shoppers quoted in the local newspaper, especially when clothing shops, doctors' offices and restaurants replaced gas stations. What had once been the Donald J. Mackenzie Service Station at 2180 Bloor Street West on the corner of Bloor and Glendonwynne, for example, was transformed into two restaurants, a hair-dresser's, a Credit Union, a chiropractic clinic, a food shop and a few other miscellaneous businesses.⁵ Similar changes occurred across the Village, with more unsightly businesses replaced by higher scale shops. Some attributed these changes to the work of the BIA, although it remains difficult to verify this claim for the same reasons that a correlation between the improvements carried out by the BIA and decreasing vacancy rates cannot be made with assurance.

C. Property Values and Rising Rents

From 1970 onwards, property values in the Village rose. While rising property values might seem positive, Professor of Public Policy and Management, Janet Rothenberg Pack (1992), is not so quick to make a connection between raising property values and the work of BIAs. She worries that many BIAs make exaggerated claims of their benefits and that BIAs are "too new to have a track record" (20). Further, to attribute property values, either up or down, to BIAs during the 1980s, which were "unusual years, first of severe recession, then of vigorous expansion[... as well as considerable inflation] would be foolish" given such turbulence. Given these difficulties, a quantitative assessment of property values in the Village was not performed.

In the Bloor West Village case, property values may not be a relevant measure anyway, since it masks a potential downside to higher property values: higher rents. Given that many shopkeepers rented their stores, rent prices may have more of an effect on the stores in the area than property values. A lease, however, is a private agreement between a landlord and a tenant, meaning that actual rental increases are difficult to obtain. To surmount this difficulty, I turn to newspapers who pointed out that the success of the BIA was double-edged because "rents have skyrocketed in recent years with some shopkeepers hit with their [rent] doubling and even tripling" (*The Miracle of Bloor Street West* 1985) and local businesses owners who claimed that "rents have gone up so astronomically that many of the smaller independents... simply can't afford rents" (Gadzala 2009). The *Toronto Star*, for example, reported "high real estate prices, usually a welcome sign of a neighbourhood's success, have become a source of angst for many of the mom and pop stores in the village" (Williams 1999). Alex Ling, who became Chairman of the BIA in 1979, was anxious that "we've done too good a job. What can you say" about businesses forced to close or who go bankrupt due to high property values? (*The Bloor West Village BIA* 1988) While Ling bought his store for \$51,500—and now thinks it could sell "for a million at least" (Yang 2010)—he worried "that we may lose that friendly village touch if some of the smaller businesses can't afford the rents" (*The Miracle of Bloor Street West* 1985). The BIA's President in 1988, Peter Foltinsky, expressed these concerns more bluntly: "What we've done is we've stabbed ourselves in the back" (quoted in *The Bloor West Village BIA* 1988). Reservations about the phenomenal popularity of Bloor West Village that pushed rents and property values sky-high appeared in the *Toronto Star* as early as 1984. But

David Hutcheon (2009) made the strongest case for the connection between high property values and the BIA when he states:

Bloor West Village was the first BIA in Canada and they created, in essence, a main street mall. And so where you had an area that was suddenly going through a steep decline from the point of view of shopping did not only survive, but it is a success story today[...] And the irony of it all is that the pioneers of all this, small local businesses, generational businesses in “the village” for two, three generations... [have suffered]. Unfortunately, because of their success, those same strong two, three generations stores have been pushed out if they didn’t own the property. They were pushed out by the McDonalds, the PizzaPizzas, the big franchise operators who would come in and pay the larger fee, would spend the million dollars to buy the buildings.

The BIA possibly helped to raise property values along the shopping district, but the rates seemed to have hurt small businesses, many of whom rented their stores. The BIA does not have control over landlords and rents, despite the belief “among some residents that the BIA has... pull when it comes to what moves in and out of the Bloor West Village’s main street” (Rainford 2013), so could not directly assist with soaring rents. Instead, larger chains (including McDonalds, Starbucks and Second Cup) and more upscale shops began to replace smaller businesses in the Village.

D. Beautification Projects

While some criticize the BIA’s influence on high rents, many speak positively of the beautification projects undertaken by the BIA. The owner of Marlborough’s, a fixture in the Village for generations, talks of the “cosmetic improvements that make it a pleasant shopping area for clientele” (quoted in Fraser 1985). It appears as though beautification projects made the shopping district a more vibrant place, but critics of the broader BIA concept argue that BIA-driven branding and uniform street furniture can create generic streetscapes that dilute the viability of urban spaces (Caruso and Weber 2006). Bloor West Village may have avoided some of these problems given that there were no other BIAs undertaking similar projects and the district is fairly small, limiting potential homogeneity to nine city blocks.

E. Marketing

The BIA’s marketing of the area as a ‘village’ “constantly described as a European market-setting” in the local paper and advertisements on radio and in print taken out by the BIA was also new after 1970 (Varangu 1984). Alone, a small business would never be able to afford the fees associated with these marketing strategies, but with the BIA it could afford to do so. The local paper argued that self-promotion “is proving to be one of the most effective weapons small businesses can deploy in their battle against monster malls” (The Miracle on Bloor Street West 1985). The promotional strategies

of the BIA therefore suggest another way that this organization benefitted the Bloor-Jane-Runnymede area, and, as Warnaby (2009) describes, BIAs may play important in place-making tasks.

F. Political and Corporate Influence

Some commentators have also suggested that BIAs are effective because of their political power. They “bring ‘government’ one step closer to the people, so much so that business leaders often call their BIAs rather than their City Council officials for solutions to municipal problems” (Garodnick 2000, 1736). The BIA can bring issues to Council with a united front and will often obtain a resolution of an issue in their favour because they are too powerful to be ignored. David Hutcheon (2009), City Councillor for Bloor West Village’s Ward in 1994, states:

BIAs were very powerful [and] they became more powerful as they became more successful. They’d come to council with their issues and council would listen because they were a community force. It varies from each group and obviously relationships are very important, but the politicians that were interested in staying around for a long time would be smart to get in with the BIA and the BIAs that wanted to be around for a long time would be smart to get in with them because they had mutual interests.

BIAs can also apply for grant money and take part in capital-cost sharing projects with the city, allowing them to play an important role in ensuring that the city provides for its small businesses (BIAs Promote Local Business 2007).

With the creation of the Toronto Association of Business Improvement Areas (TABIA) in 1980, BIAs had even more clout at meetings with all levels of government. TABIA worked with provincial and city governments on legislation pertaining to small businesses, ensuring that the needs of retail strips would not be ignored (Toronto Association of Business Improvement Areas 2007b). Alex Ling helped to form TABIA and was its President for 19 years. He speaks fondly of the positive relationship and the influence of this organization, stating that “every time we had a problem, I was always able to get to the city or the province and say ‘let’s have a meeting, get everyone together to solve the problem.’ And they always sent people who [were] decision-makers” rather than having the issues sent back to their supervisors (Ling 2009). In fact, one government official joked to Ling that he needed to get him off the Board of TABIA because he always got what he wanted (Ling 2009). It therefore seems that BIAs can be an influential group in discussions with various levels of government.

BIAs also seem to be able to influence corporations in ways that individual stores cannot. For example, TABIA was able to negotiate a special VISA and MasterCard rate for the 28,000 businesses it represents. Normally, when a customer charges a purchase to their credit card, the bank takes a certain percentage of the sale. Due to TABIA’s negotiations, businesses agreed to promote credit cards and the stores received as much as a 4.5 to 5 percent discount on these fees, with some stores only

losing 2 percent of their credit card sales to the bank (Ling 2009). Essentially then, the BIA gave businesses an advantage disproportionate to the size of their business. The small businesses which characterized Bloor West Village became as influential as franchises and larger corporations due to the BIA and TABIA. While an association of retailers might have been as influential, the BIA had the influence and funds to carry out its demands in ways that a businessmen's organization might not.

Levy (2001), Mitchell (2001) and Garodnick (2000) believe that the BIA model is a successful one because it generally functions to solve complex municipal problems effectively and efficiently. As the local papers suggested, the case of Bloor West Village seems to show just that: "the Bloor Street strip is seen to work, [it is] a happy blend of structural boosterism and small-town participation" (Varangu 1984). It is one of Toronto's most popular shopping districts and the BIA is seen as one of the most successful of such organizations (Bloor West Village BIA 2002). Exactly how the success of busy shopping district is correlated with the work of its BIA remains unclear, but it seems that almost everybody has bought into boosters' ideas that the BIA has played a large role in the transformation of Bloor Street West. The successes of Bloor West Village suggest "there's no reason to believe [supporters of the BIA] are wrong" (Epicure 1995).

G. Attracting Shoppers

The BIA's work is also believed by some supporters to bring shoppers back into the area. *The Villager* argues that, using the model of the Bloor West Village BIA, "more than one business district has pulled itself out of a slow slide into oblivion and grabbed the loyalty (and dollars) of a grateful public" (The Miracle on Bloor Street West 1985). Bloor West Village itself has drawn customers back from the suburbs and downtown and into the local stores. The Kingsway, just over the Humber River to the west, was a big draw for the Village's customers but with the BIA "everything's been reversed. Now the Kingsway does its shopping and eating here [and why would they] *not* come the few blocks east for some of the finer things in life?" (Epicure 1995). There was also no need for West Torontonians to come "hording down to St. Lawrence [Market] by Saturday's early light [as they used to do]. For them it's all a five-minute walk away, six days a week" (Varangu 1984). It seemed that the BIA had stopped local patrons from heading elsewhere for their shopping, but most importantly they were able to bring shoppers in from all over the region. Marjorie Harris (1984) argues:

With the streets spruced up, the cafés and shops followed suit. Meat markets, delis, bakeries and pastry shops held such an abundance of delectable goods that people came from all over the city to shop. The subway now serves the merchants well. For the neighbourhood, they were classy enough to compete with anything downtown and a lot more convenient. Business boomed.

David Hutcheon (2009) says that "about two-thirds of the people shopping on Bloor Street on the weekends are coming from somewhere else. Mississauga is a popular

place to come from, [as well as] Etobicoke [and] North York. People who grew up in the area come, but also people come because it's a nice shopping area and they get used to some of the stores, some of the speciality stores, and you start to develop an affinity." Bloor West Village is therefore a shopping destination in its own right, able to compete with other retail areas that had previously drawn customers away.

Conclusion

With beautification and marketing projects, improving property values and vacancy rates, increased influence over governments and businesses and additional shoppers, many attribute Bloor West Village's prosperity and "remarkable transformation" to the BIA (Varangu 1984). However, these proponents' statements need to be taken with a grain of salt. Many are self-professed boosters and major supporters of BIAs. In fact, *The Villager* was funded by the BIA so "worked hand in glove promoting the BIA's activities" (Hutcheon 2009). David Hutcheon (2009) also says he's "been a booster and a supporter [of BIAs] since I've lived here. I think they do a great job!" and Alex Ling also has close to forty years of experience working for BIAs and continues his involvement today because he strongly believes that BIAs are the main life-lines of business communities (Ling 2009).

Even without the bias of these individuals in favour of BIAs, Janet Rothenberg Pack (1992) worries that BIAs, in general, exaggerate their claims of benefits, while others have shown how difficult it is to eliminate the effects of extraneous variables that affect the impact of BIAs, making it difficult to assess BIAs work (Caruso and Weber 2006; Mitchell 2001). This study confirms these difficulties. The projects correlating the BIA's work to the changes brought about to the retail strip over the 35 years studied in this paper suggest that long-term studies are not enough to satisfy the call in the literature for research projects that concretely examine the effects of BIAs over the long term, since correlations are even more difficult over longer periods when there was, among other factors, greater financial instability, changing market trends, greater competition with other BIAs and changes to the transportation infrastructure.

Comparative studies may help, but it will be difficult to choose retail strips with enough similarities to not introduce other variables, especially as many of those studied in this project recognized the uniqueness of Bloor West Village. Hutcheon (2009), for instance, recognized the strong supporters, the mix of stores and the location as important factors in the Village's success. *The Villager* noted the "years of hard work (without pay) by board of management members, a happy mix of cultural backgrounds in the neighbourhood stores and services, an energetic local newspaper, the carefully cultivated assistance of city officials" (The Miracle on Bloor Street West 1985).

Even if one wished to undertake such a comparative study, data for long-term projects is difficult to obtain: the City of Toronto stopped producing City Directories in 2001 and stopped recording vacancies by the 2000 Directory, meaning that more quantitative data on vacancy rates and turnover rates was not available after this point. Assessment roles, phone books and the store directories developed by the BIA were not enough to piece this information together. Comparisons of Toronto's BIAs thus must rely on Directory data, so would be rather limited for the 21st century, when many of the Toronto's BIAs formed. In other cities where different data may be kept or for

BIAs with better-preserved archival data, it may be possible to fill in some of the gaps and complete this kind of study, however, the length of time studied will likely be much shorter than that of the Bloor West Village BIA, which is currently celebrating its 45th birthday. In the meantime, scholars, cities, and BIAs should begin to measure some of the effects of BIAs in order to more concretely answer questions about the effectiveness of BIAs.

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Notes

¹ Business Improvement Areas are commonly known as Business Improvement Districts (BIDs) or Business Improvement Zones (BIZs) outside of Canada. Other variations include Special Improvement Districts (SIDs), Public Improvement Districts (PIDs), Neighbourhood Improvement Districts (NIDs), Municipal Improvement Districts (MIDs) and City Improvement Districts (CIDs) (For a discussion of the definition, the various structures of BIAs and the naming practices, see Morçöl and Zimmermann 2008 and Morçöl and Wolf, 2010; esp. 907).

² Hutcheon also relates how the Bloor West Village BIA has had to reinvent itself a number of times to remain vibrant and ensure success. He also worries that it is becoming more difficult for BIAs to make long term gains because so many other areas have adopted the same approach.

³ A lack of sources prevented a longer discussion of the role of the Bloor West Village BIA; see conclusion for additional discussion.

⁴ In some cases, the business directory listed a business with a similar name for various years. For example, 2253 Bloor Street West was known Peter's Grill in 1960, but listed as Peter's Restaurant from 1965 onwards. In these cases, it was believed to be the same business and not a turnover.

⁵ The business directory between 1960 and 1979 lists the Mackenzie Donald J Service Station at 2180 Bloor Street West. By 1980, the property had been divided into 2180-2190 Bloor Street West and was home to Corsady's Steak & Hamburger Place (2180); Donut Place (2184a); Casablanca Unisex Hair Design (2184b); Buduchnist (Toronto) Credit Union Ltd (2184c); High Park Chiropractic & Sports Injury Clinic (2184d); Zubkewrych Morris chiropractor (2184d); Sawa Tom chiropractor (2184d); Foods For Life (2184e); B & D Jewellery (2186); Adomonis Electronics (2186); Fotomat (2190); Cholkan R & Co Ltd general insurance (2190b); Glidden Paint and Wallpaper (2190c).

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APPENDIX A
Vacancy Rates in Bloor West Village

	Year							
	1960	1965	1970	1975	1980	1985-1986 ¹	1991 ²	1995
# of Businesses ³	156	142	148	134	187	288 ⁴	232	238
# of Vacancies ⁵	3	2	6	7	3	6	1	5
% of Vacant Businesses	1.9	1.4	4.0	5.2	1.6 ⁶	2.1	0.4	2.1

Table 1: Vacancy Rates in Bloor West Village from 1960-1995

Notes

¹ No directory was produced for 1985, only one for 1985-1986.

² There was no City Directory published for Metro West in 1990.

³ The number of businesses is based on a sample which included all the business properties on the south side of Bloor Street West within the boundaries of the BIA and four of the nine blocks on the north side (from Glendonwynne Road to Durie Street) listed within a City Directory. Properties used for purposes other than business, such as churches and apartment buildings were omitted. Properties with “No Return” or “Not Verified” (as the wording changed to in the 1995 Directory) were also omitted; usually less than 2 percent of properties were listed as “No Return,” but in 1991, close to 16 percent of properties were listed as “No Return.”

⁴ The number of businesses increased dramatically after the construction of a new medical building at 2425 Bloor Street West, the site of an old street car turnaround.

⁵ The number of vacancies is based on the vacancies reported for business properties located within the blocks sampled. If a property was originally a business complex, but was rezoned to be residential and subsequently went vacant, it was excluded from analysis.

⁶ One of the reasons that the number of businesses increased in 1980 was that 21 offices had recently been constructed at 2323 Bloor Street West. Two of the three vacancies recorded in 1980 were found in this new complex.

APPENDIX B
Turnover Rates in Bloor West Village

	Year		
	1970	1980	1991
# of businesses which turned over in 10 Year period	68	69	57
% of businesses which turned over in 10 year period	57	60	51

Table 2: Turnover Rates in Bloor West Village